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EPA Sees Smooth Seas, Bigger International Role For Japan

The Economic Planning Agency is sanguine about the future course of the Japanese economy and urges the nation to make good use of this prosperity by shouldering greater international responsibilities. EPA's 1991 economic white paper, released August 9, pointed to the Japanese economy's resilience and buoyancy over the past several years as it adjusted to the appreciation of the yen against the dollar, the distortions of the real estate and stock markets from over-inflated prices, and higher oil prices caused by the Persian Gulf War. With the economy comfortably at "cruising speed," EPA said, "Japan should take leadership in the maintenance and development of international common property," such as the General Agreement on Tariffs and Trade and the International Monetary Fund. This year's white paper, entitled "Conditions for Long-Run Expansion and Japan's International Role," is notable for its internationalist tone.

With regard to the domestic economy, the 1991 white paper highlighted the following developments:

• Overall economic growth is slowing to a moderate but sustainable pace. The current expansion, which is listed as beginning in December 1986,

Conference On Africa Set For Tokyo

Top officials and business leaders from Japan, the United States and several African nations will meet in Tokyo later this month to consider coordinated responses toward African development needs. The August 29-30 meeting will be the first of three conferences sponsored by Keidanren (Japan Federation of Economic Organizations), the New York-based African-American Institute and the Foundation for Advanced Studies on International Development, established last year with backing from Keidanren and the Ministry of Foreign Affairs. Some of the event's organizers say they hope that it will strengthen communication between public- and private-sector leaders from the countries involved and remain an effective forum for future dialogue.

Foreign Ministry officials report that Botswana's Minister of External Affairs Gaositwe Chiepe, Namibia's Minister of Foreign Affairs Theo-Ben Gurirab and Uganda's Minister of Foreign and Regional Affairs Paul Ssemogerere will participate in the conference, the first of its kind. The African National Congress' secretary for international affairs, Thabo Mbeki, also is scheduled to attend. Among the American representatives expected are Herman Cohen, assistant secretary of the Department of State's Bureau of African Affairs, and Rep. Mervyn Dymally (D, Calif.), chairman of the House Committee on Foreign Affairs' subcommittee on Africa. Japanese attendees will include several Diet members, high-level officials from the Export-Import Bank of Japan and Japan's aid agencies, Foreign Ministry officials and Keidanren leaders, including those representing the organization's interests in African and development issues.

While the Tokyo conference will focus on recent political developments throughout Africa and the economic consequences of these changes, special emphasis will be given to the part the private sector can play in Africa's economic development. Debt issues, regional cooperation and possible steps toward future collaboration among the United States, Japan and African nations also are on the agenda. Another expected discussion topic is the role of multilateral financial institutions in African development.

Vivian Derryck, president of the African-American Institute, notes that her organization's concerns with African development prompted the decision to talk with other major actors in the development field and eventually led to a meeting with Keidanren representatives. She points out that nongovernmental organizations and business groups in both donor and recipient countries could provide a good bridge to trilateral cooperation.

Conference planners expect to follow up with two other meetings scheduled roughly one year apart. The second, slated for the United States, also will focus on how the private sector can make a difference in economic development in Africa. The structure of the third conference will depend on the interests of the African nations involved in the dialogue, the pace of change and the "economic absorptive capacity in Africa," Ms. Derryck said.

In exploring aspects of official development assistance to Africa, the Tokyo conference will look in particular at areas for U.S.-Japan cooperation and the question of aid conditionality, organizers say. Japan, which traditionally has focused its bilateral ODA on Asia, in recent years has felt compelled by international expectations and the severe economic difficulties faced by many African nations to boost both the level and the grant portion of its

bilateral aid to Africa. The region's share of Japanese bilateral aid has grown steadily since the mid-1980s, reaching 15.3 percent in 1989, the latest year for which data are available (see Table). In 1989, moreover, 37.7 percent of all Japan's grant aid (excluding technical assistance) went to Africa. Two years ago Tokyo announced that over a three-year period beginning in FY 1990 it would extend roughly $600 million of nonproject grant assistance to bolster economic restructuring, mostly in African nations. A similar program channeled approximately $500 million in nonproject grant aid to 26 African countries between FY 1987 and FY 1989.

Japan's Bilateral ODA to Africa, 1985-89

(in millions of dollars; net disbursements)

	1985	1986	1987	1988	1989
Africa	$252	$418	$516	$884	$1,040
Share of Total Bilateral Aid	9.9%	10.9%	9.8%	13.8%	15.3%
Total Bilateral Aid	2,557	3,846	5,248	6,422	6,779

Source: Ministry of Foreign Affairs

The Japanese government plans to hold a conference in 1993 that will bring African leaders together to discuss the development problems that face their nations. Japanese businesses, as well, already have been taking a closer look at a variety of issues relating to trade and investment in Africa. In April, for example, Keidanren sent a mission to South Africa to examine social and economic conditions in that country (see JEI Report No. 19B, May 17, 1991). Developments in South Africa can be expected to be among the topics examined at the upcoming Tokyo meeting, which will provide a forum for participants representing a wide range of views on and interests in Africa.

Margo Grimm

ITC Clears Dumping Duties On Flat Panel Displays

Defying the expectations of many trade watchers, the International Trade Commission voted three-to-one August 15 that U.S. manufacturers of flat panel displays are being hurt by sales of some types of competing Japanese-made products sold here for less than at home. On paper the injury ruling provides a much-needed shot in the arm for the handful of American companies eyeing the commercial market for thin computer screens since it cleared the way for the imposition of stiff (62.67 percent) antidumping duties on made-in-Japan displays incorporating active-matrix liquid crystal display technology. That gives domestic makers protection from Japanese competition in the type of display expected to be used increasingly in the future in portable computers as well as

NOTE

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